

AGENDA ITEM #7
May 10, 2002

To: Delta Protection Commission

From: Karen Morais, Delta Protection Commission Staff

Subject: Legislation Update
(For Commission Information)

The Commission is tracking 33 bills of interest to the Delta Protection Commission. Attached is a brief description and current status of each bill.

The Legislature is facing their annual deadlines. Last day to pass out of house of origin is May 31. The fiscal committees are working to pass the Budget Bill by midnight, June 15 (CA Constitution, Article IV. Section 12(c))

As a follow up to the March 22, 2002, Legislative Update Memo:

- The DPC has been watching the below initiative in the process of qualification. 716,875 signatures were submitted to the Secretary of State's office last month; signatures must be verified by June 27th to qualify for the November ballot. Below is the excerpt from the Secretary of State's web page summarizing the initiative. Detailed election information is available at www.ss.ca.gov.

940. (SA01RF0039, Amdt. #1-NS).

Water Quality, Supply and Safe Drinking Water Projects. Coastal Wetlands Purchase and Protection. Bonds. Initiative Statute.

Summary Date: 12/26/01 Circulation Deadline: 05/28/02 Signatures Required: 419,260

Proponent: Joseph L. Caves (916) 558-1516

Authorizes \$3,440,000,000 general obligation bonds, to be repaid from state's General Fund, to fund a variety of water projects including: specified CALFED Bay-Delta Program projects including urban and agricultural water use efficiency projects; grants and loans to reduce Colorado River water use; purchasing, protecting and restoring coastal wetlands near urban areas; competitive grants for water management and water quality improvement projects; development of river

parkways; improved security for state, local and regional water systems; and grants for desalination and drinking water disinfecting projects. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: If passed, the measure would result in state costs to repay the bonds, which, if the bonds were issued with a maturity of 25 years, would equal approximately \$5.7 billion to pay principal (\$3.44 billion) and interest (\$2.24 billion), with payments of approximately \$227 million per year. The measure would also result in potential costs of an unknown amount to state and local governments to operate or maintain properties or projects acquired or developed with these bond funds.

- Three similar bond measures pending before the Legislature could also qualify for the November ballot: ACA 8, AB 52, and SB 196. These measures are included on DPC's bill watch list (attached).